

FAIRFAX COUNTY, VIRGINIA

MEMORANDUM

TO: Board of Supervisors

FROM: John J. Adair, Auditor to the Board
Office of Financial and Programs Auditor

DATE: October 1, 2007

SUBJECT: Quarterly Status Report on Operations

EXECUTIVE SUMMARY

During this quarter, the County continued to adjust its vehicle fleet, removing 11 vehicles and also taking action to surplus 11 of its FASTRAN buses. This will result in one-time savings of about \$806,000 and annual savings of about \$91,000.

These actions bring the total reduction in County fleet and FASTRAN buses to 189 vehicles. Total savings have amounted to about \$3.3 million since the County began analyzing and reducing its vehicle fleet in 2005. The annual maintenance savings from these reductions is now about \$330,000.

We continued our review of recruitment and retention problems in the Sheriff's Office. We worked with Department of Management and Budget, Human Resources and Sheriff's Office staff to determine the feasibility of implementing suggestions for reducing the number of vacancies, including the possible establishment of a Cadet program in the Sheriff's Office similar to the one operated by the Police Department.

We also reviewed information on contracts awarded to small, women and minority owned businesses. We found Fairfax County awards a much higher percentage of its annual procurement dollars to those businesses than the Commonwealth of Virginia. We tried to compare Fairfax County with several other Virginia Counties, but they did not keep statistics on these types of contract awards.

Construction of the Public Safety and Transportation Operations Center (PSTOC), continued to progress on schedule and within budget, and is about 60% complete as of the end of September 2007.

The County issued a contract for a Computer Aided Dispatch and Records Management System on September 7, 2007, that represents a major component of Information Technology systems to be used within the PSTOC facility. Acquisition of these systems, and the other information technology systems needed for the facility, also are on schedule and within budget.

COMPLETION OF REVIEW OF FASTRAN BUS FLEET

During this quarter, we completed our review of the FASTRAN bus fleet that we initiated in 2006. FASTRAN is an acronym for “Fairfax County Specialized Transportation”. It is a Paratransit bus system providing transportation for disabled and/or low income residents of Fairfax County and the cities of Fairfax and Falls Church.

FASTRAN staff told us this quarter that they had completed their review of transportation service demands and were reducing their fleet by 11 buses. Seven buses have already been surplus, and the other four will be surplus with the arrival of the next purchase of replacement buses, which were ordered earlier this year.

The Department of Management and Budget determined that reducing the FASTRAN fleet by 11 buses would result in a one-time savings of \$676,000 and annual savings of \$77,000.

Creation and Operation Of FASTRAN Fleet

FASTRAN was created in January 1986 to consolidate and satisfy transportation needs of the mobility impaired and the transportation disadvantaged for Fairfax County’s human service agencies

FASTRAN operates as a public/private partnership. County staff budget, plan, schedule and monitor system service. The County owns the buses and provides the fuel. Two private contractors, one for North County and one for South County, operate, maintain, and dispatch the buses.

FASTRAN provides door to door transportation to disadvantaged County residents who cannot drive, find a ride, afford a taxi, or use Metro or Fairfax Connector bus services. In FY 2006 FASTRAN provided over 578,000 rides to County residents with no other means of access to County programs and services.

Most service, about 90%, is provided via scheduled daily predetermined and pre-numbered routes transporting regular riders to service centers and returning them home. Some Dial-A-Ride service is provided to qualified low income residents, mostly through advance registration. Dial-A-Ride is provided between 10:00 a.m. and 2:00 p.m.

The FASTRAN program, managed by the Department of Community and Recreation Services, had a FY 2008 operating budget of approximately \$2.44 million.

Vehicle Requirements for the FASTRAN System

Staff had told us during our review last year that for planning purposes the FASTRAN fleet size is 126 buses. These 126 buses exceeded the 115 required for current routes and spares. This indicated that FASTRAN had 11 more buses than appear to be required.

The primary reason that FASTRAN had more buses than it needed was that the number of routes operated by FASTRAN has declined in recent years. Most of the reduction occurred as a result of FASTRAN staff developing a new zoning approach, and staff's normal process of reviewing routes for consolidation.

FASTRAN eliminated a net of 37 a.m. or p.m. peak routes from FY 2002 to the present, leaving it with 87 peak routes. FASTRAN staff told us last year that the Little River Glen Adult Day Care Center would be opened in July 2006. This added 3 additional peak routes to the 87 existing peak routes, bringing the total peak route requirements to 90.

In addition, during FY 2007 the Senior Plus Program was expanded by adding new routes. This resulted in a total of 96 peak requirement routes.

FASTRAN needs a minimum of one bus for every scheduled daily fixed peak hours route plus a reasonable number of spares to cover break downs, normal maintenance, and other unanticipated requirements.

In determining a reasonable number of spares, we used the maximum spare ratio used by the Federal Transit Administration, which is 20% of the peak route buses.

With 96 peak routes, a 20% spare ratio requires 19 spares, bringing the number of buses needed to 115.

In June 2006, we met with FASTRAN staff to discuss the possibility of reducing the fleet by 11 buses, from 126 to 115. FASTRAN staff said that they would initiate a gradual reduction of the bus fleet to reach the number of buses required to maintain services and an acceptable spare ratio.

Staff said they would conduct a review before completion of the fleet reduction and adjust the targeted fleet size, as necessary, to ensure the transportation service demands for new programs, such as Senior Plus, do not adversely impact on existing services, on-time performance and overall FASTRAN operations.

We suggested that FASTRAN take the oldest and most problematic buses with high maintenance requirements as the first to be retired, and that staff retire them over a reasonable time frame.

We believe that with the completion of its review, and the ongoing reduction of its fleet to 115 vehicles, the FASTRAN staff will reach the optimal size for its fleet based on current and projected ridership.

The new fleet size will enable FASTRAN to continue to provide service to its customers and will also result in one-time savings to the County of \$676,000, and annual savings of \$77,000.

FURTHER REDUCTION IN UNDERUTILIZED VEHICLES

In our April 2004 Quarterly Status Report, we discussed the need for the County to determine the appropriate number of County vehicles it needs to conduct its operations. The County subsequently set up a Fleet Utilization Management Committee, and in January 2005 determined that 117 vehicles were being underutilized and should be turned in.

In December 2005, the Fleet Utilization Management Committee determined that another 40 vehicles should be turned in, bringing the total to 157 vehicles.

In July 2006, the County made its third reduction in vehicles, asking agencies to turn in 10 vehicles.

This quarter, an additional 11 vehicles were determined to have been underutilized and will be turned in. Thus, a total of 178 vehicles (not including the 11 FASTRAN buses discussed above) have been ordered to be turned in since January 2005.

Analysis of FY 2007 Underutilized Vehicles

For Fiscal Year 2007, agencies were asked to justify vehicles that had been operated less than 5,000 miles. An April 27, 2007, memo from the Director of the Department of Vehicle Services provided each County agency with a list of their vehicles which had accumulated less than 5,000 miles in the 12-month period ending March 31, 2007.

A total of 74 County vehicles were identified as low-utilization. Agencies were asked to justify the continued need for these vehicles and to determine whether any of them could be turned in to the Department of Vehicle Services.

The Fleet Utilization Management Committee examined the justifications for retaining the low-utilization vehicles submitted by the impacted agencies. Based on this review, 11 of the 74 were designated as surplus and were to be removed from the fleet.

The County Executive notified agencies on June 29, 2007, as to which vehicles should be turned in. Agencies were given the option of submitting a final appeal within 30 days through the appropriate Deputy County Executive.

Department of Management and Budget Staff estimates that turning in the 11 vehicles determined to be surplus would result in savings of \$144,000, consisting of a one time savings of \$130,000 and an annual maintenance savings of \$14,000.

The \$144,000 savings brings the total savings for the 178 vehicles required to be turned in since January 2005 to about \$2,230,000, not including annual maintenance savings. Annual maintenance savings on those 178 vehicles is now about \$330,000.

REVIEW OF VACANCIES IN THE SHERIFF'S OFFICE

During remarks on April 23, 2007 about the FY 2008 County budget, it was noted that the Sheriff had communicated to the Board of Supervisors a significant issue of recruitment and retention of staff in his Office.

The Board directed that key County agencies, including our office, work with the Sheriff's Office to evaluate the number, and causes, of staff vacancies and return to the County Executive with recommendations on how to address them.

Background

The Sheriff's Office is responsible for managing the Fairfax County Adult Detention Center and Pre-Release Center, providing security in courthouses and the judicial complex, and serving legal process documents. The Office also interacts with other public safety agencies to allow for a broader response to threats within the community.

The Sheriff's Office Fiscal Year 2008 budget has 602 authorized positions and a budget of more than \$57.4 million. Reimbursements from the State, inmate room and board, and other fees provide more than \$21.2 million in income, resulting in net costs of about \$36.2 million.

The Adult Detention Center had an average daily population of 1,286 inmates in Fiscal Year 2007. They are overseen by the Confinement Division, which was authorized 311 positions in the Fiscal Year 2008 budget.

Another major segment of the Sheriff's Office is the Court Services Division, which provides security for 34 judges and 37 courtrooms in Fairfax County, Fairfax City, and the towns of Herndon and Vienna. In FY 2006, the Court Services Division was responsible for escorting more than 24,000 prisoners to and from these courts. In addition, almost 205,000 civil process documents were processed and served by the Civil Enforcement staff. A staff of 115 is authorized for the Court Services Division.

Fifty positions are authorized for the Administrative Services area which handles such areas as human resources, information technology, training and financial services.

Support Services Division is authorized 126 positions. They handle medical services, logistics, classification and alternative incarceration.

Vacancies in the Sheriff's Department

The Sheriff said that the vacancy rate from 2001 to April 2004 had been low, but that there was a significant increase in vacancies after the April 2005 adoption of the Fiscal Year 2006 budget by the Board of Supervisors. The budget that year decoupled the pay of the Sheriff's Office's from the Police Department.

As of the end of May 2005, the Sheriff said there were 9 vacancies in his Office, but the number of vacancies had increased to 55 by May 2007. As of September 2007, the vacancies had been reduced to 36. However, 50 of the recent hires had not had sufficient required training at the Police Academy and by Sheriff's Office staff to allow them to be used in the Adult Detention Center.

Attempts to Improve Vacancy Rates

Recognizing that most, if not all, the vacancies in the Sheriff's organization were at the entry level, in April 2006 the County Executive authorized the Sheriff to offer and pay a signing bonus of \$2,000 to each new hire through June 30, 2007. The signing bonus has been extended through June 30, 2008.

Despite the authorized signing bonus, and the Sheriff's Office's participation in more than a dozen job fairs, distribution of recruiting posters and brochures, recruitment at colleges and military bases and advertising in various publications, the Sheriff reported that the number of new hires has not kept pace with attrition.

The Sheriff identified an opportunity for additional revenue in the form of a State approved increase in the Courthouse Security fee from \$5.00 to \$10.00 per case, effective July 1, 2007.

The additional revenue from this increased fee is estimated at more than \$900,000 annually. The fee provides funding that could be redirected to other needs. The Board has directed that these funds be held in reserve pending the development of specific strategies and policies to address the recruitment and retention issues in the Sheriff's Office.

Changes to Sheriff's Operations Implemented and Discussed This Quarter

During this quarter, one change was made, and others were discussed, that may lead to improvements in the recruitment and retention of staff in the Sheriff's office.

First, the Sheriff's recruitment announcement for the Deputy Sheriff I position was changed to reflect the full range of salary a recruit could earn. Previously, the announcement only showed what a new recruit could earn at the pay grade for which he or she was hired.

The change made the Sheriff's announcements comparable to those of surrounding counties' announcements for Deputy Sheriff positions in terms of the range of salary shown.

Second, the Sheriff, working with our office, the Department of Human Resources, and the Department of Management and Budget, has agreed that steps could be taken to implement a Cadet program. The program, which would be similar to one already being operated by the Police Department, would enable the Sheriff's Office to hire high school graduates between the ages of 18 and 21. Currently, the Office is precluded from hiring them until they are 21 years of age.

We also discussed other options for reducing the number of vacancies in the Sheriff's office, including hiring civilians to replace several positions now staffed by uniformed officers, and the best way to use the money being generated from the increased courthouse security fees to address the vacancy problem.

As directed by the Board, we will continue to work with the Sheriff's Office and other County agencies during the next quarter to address the vacancy issue.

REVIEW OF SMALL BUSINESS, WOMEN OWNED AND MINORITY CONTRACTS AWARDED BY THE COUNTY

At the request of the Audit Committee, we also looked at the dollar amount and percentage of contracts awarded by Fairfax County to small businesses, women, and minority contractors. The Committee was interested in knowing how Fairfax County compared to the Commonwealth and other jurisdictions in awarding such contracts.

We compared the dollar value of contracts awarded to small business, women owned, and minority (SWAM) contractors to the total procurement dollars awarded by the County over the past three fiscal years with the Commonwealth of Virginia's SWAM numbers.

Fairfax County had a much higher percentage of dollars awarded to SWAM contractors than the Commonwealth of Virginia during fiscal years 2005 through 2007. Fairfax

County awarded 47%, or about \$740 million of its procurement dollars to SWAM businesses while the Commonwealth awarded about 19.3% to the same types of businesses.

Specifically, during fiscal years 2005 through 2007, the County awarded

- 37%, or \$578.3 million of its total procurement dollars to small businesses, while the Commonwealth awarded 14%;
- 6% or \$97.6 million to minority businesses while the Commonwealth awarded 2.7%; and
- 4% or \$63.9 million to women owned businesses, while the Commonwealth awarded 2.6%.

We requested information for our review on SWAM contracts from other Counties, including Prince William, Arlington and Loudoun County, but were told via e-mail that such information was unavailable.

- Prince William County said it supports SWAM vendors through outreach programs on doing business with the County, but it does not compile data on awards to vendors who indicated that they were small, women owned or minority owned.
- Arlington County said it does not collect this data, but hopes to some day in order to verify the effectiveness of its minority outreach program.
- Loudoun County said it does not currently, nor had it collected data in the past, regarding SWAM contracting that would provide contract dollars broken out by small, women owned or minority businesses. It did not, as of August 2007, have definitions for the categories of small, women owned or minority businesses.

The information for SWAM contracts indicates that Fairfax County is doing significantly better than the Commonwealth of Virginia in awarding these types of contracts.

We believe that since Prince William, Arlington and Loudoun County were unable to provide dollar totals for small, women owned and minority contracts, this indicates that Fairfax, which has focused on SWAM contracts for years, and awards nearly half the dollar value of its contracts to those types of businesses, is probably doing better than those Counties as well.

PUBLIC SAFETY AND TRANSPORTATION OPERATIONS CENTER COSTS

The County is building a new Public Safety and Transportation Operations Center (PSTOC). PSTOC will provide public safety and transportation services using coordinated technology and integrated data systems among Fairfax County, the Virginia Department of Transportation, and the Virginia State Police.

PSTOC will include an improved Emergency Operations Center, and a new Public Safety Communications Center that will improve the central routing for all 911 calls received in the County.

Also included in this project, but housed in a separate building, is the Fairfax County Police Department Forensics Facility, including the Crime Scene Section, the Electronic Surveillance Unit, space for the future DNA Laboratory, and NOVARIS (the Northern Virginia Regional Identification System).

The County's share of PSTOC, which includes the Emergency Operations Center and Public Safety Communications Center, is \$102.5 million. The Commonwealth of Virginia's share of PSTOC is about \$20 million. The Forensics Facility, which is being co-located with PSTOC, is an additional \$13 million. The total cost of PSTOC including the County and Commonwealth amounts and the Forensics Facility is \$135.5 million.

Because of the cost and relatively short time frame to complete the construction of the project, our office was asked to monitor the project to help provide assurance that it will be completed on time and within budget and will deliver the expected functionality.

Progress This Quarter on the PSTOC Construction Project

The County awarded a contract to the Manhattan Construction Company for \$56,111,000 in June 2006. The contract amount was in line with County estimates. Construction work began in August 2006.

During this quarter, the PSTOC facility walls, roof and windows were installed, and work is estimated by staff to be about 60% completed as of the end of September 2007.

The primary electrical feed is in place, and a secondary feed will be installed in the Spring of 2008. As further protection, backup generators are being installed to ensure an uninterrupted supply of electricity to the PSTOC facility.

The contractor is working on the ductwork, plumbing and air handling units and other interior requirements of the facility. In the next two months, work will continue on such areas as the drywall, cabling, elevator installation, and construction of the courtyard between the PSTOC facility and the forensics facility.

The PSTOC project construction work continues to progress on schedule and within budget.

PSTOC Information **Technology Progress**

About \$37 million of the County's PSTOC project cost involves information technology. Timing of the purchases of information technology equipment is very important because while the equipment must be available when the PSTOC becomes operational, the County wants to hold off on purchasing the equipment as long as possible to ensure it has the latest technological changes for the equipment purchased.

Computer Assisted Dispatch and **Records Management Systems**

The Computer Aided Dispatch and Records Management System (CAD/RMS) is the core of a comprehensive public safety information management system that will enable the County's public safety first responders to have the tools to share tactical information among emergency management agencies, Police and Fire departments, neighboring public safety answering points, and state and federal authorities.

Late in 2005, a Request for Qualifications was issued for CAD/RMS resulting in 12 responses. Six of the 12 were pre-qualified, and a Request for Proposals was issued in April 2006. Three of the six responded to the Request for Proposals for the system.

The County evaluated the technical proposals of the three bidders for the CAD/RMS systems, and two vendors remained in the process.

After the product demonstrations, evaluation of business proposals, site visits to jurisdictions employing similar software configurations in order to observe vendor systems in operation, and oral presentations by the two vendors, the County determined that one of the bidders provided the best combination of functionality and cost.

Negotiations started on May 17, 2007 and concluded with contract signing on September 7, 2007.

Progress Involving Other Systems

The Computer Aided Dispatch System is an important part of the PSTOC operations, but just one of many functions critical to PSTOC operations.

Progress continued to be made on the other systems, such as the E-911 telecommunications equipment; cabling; the audio/video system to support operations; an in-building antenna system; furniture for 59 call taker positions for the housing of the radio, CAD, and voice equipment for the 911 operations; and a building security system.

The County completed audio/video system design and issued a Request for Qualifications in June 2007 which resulted in 12 responses. Seven of the 12 were pre-qualified, and a Request for Proposals (RFP) was issued to the seven qualified firms on August 14, 2007. Responses to the RFP were received from four of the firms and are being evaluated. The County is planning to award an audio/visual contract by December 2007. The County also expects to award a telephone systems contract by December 2007.

As of this quarter, acquisition of the Information Technology systems is on schedule and within budget.

We will continue to provide periodic updates regarding the status of the PSTOC project in future quarterly status reports.